

THE POWER OF PERSONALIZATION USING CUSTOMER DATA, PERSONALIZATION AND THE MARTECH YOU ALREADY HAVE TO CREATE REAL DIGITAL TRANSFORMATION

CONNECTING TECHNOLOGY AND PERSONALIZATION

How the right martech can improve every stage of each buyer's customer journey

Nearly a third of the typical CMO's budget is devoted to technology. The average marketing organization currently has more than two dozen solutions in play, and a few more in the wings. The number of solutions available—the latest [Marketing Technology Landscape Supergraphic](#) lists over 7,000—can be overwhelming. How can marketers figure out which martech will help them achieve digital transformation? How can they leverage their existing martech to create personalized marketing strategies that engage and convert prospects at all points of the funnel (and not creep them out or send them running to the competition)? In this special report, we'll look at the trends and tools marketers should consider to make the most of their customer data and [optimize their martech spend](#).

Let's take a simple example. In most companies, the sales team has a customer relationship management (CRM) system, the lead-gen team has marketing automation platforms, and the [advertising](#) department has a data management platform (DMP). Each system is overflowing with customer data, and some of it likely conflicts with information stored in the other tools. Nobody has time to consolidate that data and manually clean it up, or to maintain a consolidated database with all of the new

transactions and [customer journey](#) milestones for each customer.

But there is a way to leverage AI and machine learning to automatically create and maintain accurate, complete customer profiles of all of your customers—and to update that "golden profile" every time any customer makes a purchase or drops a breadcrumb on his or her customer journey. A customer data platform (CDP) can unify that disparate data, using an architecture that can ingest structured and semi-structured data to create business rules that will pull clean data to enable automated, personalized marketing. A CDP can also help different martech platforms share consolidated customer profile data, and also orchestrate marketing campaign activities on many different systems—all with little or no help from IT.

This, says Lisa Stapleton, senior marketing manager of Arm Treasure Data, can help brands build a golden profile for each customer. You can then use this profile throughout the martech stack to predict what a customer will want to do next. Such data-driven personalization technology also gives brand managers and retailers the right signals to create personalized messaging for each customer's preferred communications channels, all based on predictive analytics.

COPRODUCED BY

arm
TREASURE DATA

WHAT'S INSIDE

- Data as a Disruptor.....p. 2
- Meet the Masters....p. 4
- Martech in Motion: 5 Tips.....p.5

FACING DATA CHALLENGES

The 4 martech questions every marketer needs to answer

A martech purchase is a big investment for any organization, and there are many variables to understand about the multitude of solutions on the market. David Raab, founder of the CDP Institute, shares his thoughts on what challenges marketers should keep in mind when considering a customer data platform

IS A SYSTEM ACTUALLY A CDP?

Raab defines a CDP as “packaged software that creates a persistent, unified customer database accessible to other systems.” There are many vendors that say their solution is a CDP, but what they offer actually does more than a CDP, or, only offers just one or two of the required functionalities. To help clear things up, the CDP Institute created a five-point checklist to help marketers understand what a true customer data platform should do. To receive the certification, a CDP must be able to:

- Ingest data from any source
- Capture the full detail of ingested data
- Store the ingested data indefinitely (subject to privacy constraints)
- Create unified profiles of identified individuals
- Share data with any system that needs it

WHAT'S THE DIFFERENCE BETWEEN A CDP AND OTHER PLATFORMS?

CDPs are often confused with data management platforms, marketing automation systems, or customer relationship management systems. What makes a CDP different is that it is designed to support any application by sharing data and sending it out to the other system. Click to learn more about the [differences between a CDP and DMP](#).

WILL A CDP HELP ENFORCE PRIVACY REGULATIONS?

New laws such as GDPR and the California Consumer Privacy Act make the issue of privacy more important than ever. Tools like CDPs can help with tracking how data was obtained, the permissions you have to use that data, and who has the authority to access data.

IS DATA QUALITY AN ISSUE?

Every marketer who has looked through a new list and discovered that “Mickey Mouse,” “Spider-Man” and “Test Test” have subscribed to their email newsletter knows that just because data is first-party doesn’t make it accurate. Many people simply don’t want to give up their precious personal information for a white paper download. A CDP can help in breaking down the silos and comparing information from multiple sources—including email, web, social and in-store—to improve accuracy.



MEET THE MASTERS

Three brands using customer data to fuel multichannel marketing success

Who's doing it right? **Shiseido**, **Subaru** and **PARCO** are examples of brands harnessing the power of their marketing data to unlock valuable insights about customers' needs, wants and desires to drive marketing success across multiple channels and vertical markets. Here's a closer look at each.

PARCO

Real-time marketing and gamification drive purchases

PARCO Co. Ltd. is a Japanese shopping mall and department store chain, with 18 shopping centers located across the country. The 66-year-old company **competes with large online retailers** and brick-and-mortar chains by embracing **omnichannel retail**, and using data gleaned from its loyalty program, **mobile apps** and geolocation to engage shoppers and get them to buy.



Beacons on the perimeter of the company's malls trigger offers for customers with the Pocket PARCO app on their mobile phones.

If someone is driving by one of PARCO's malls and has the Pocket PARCO app on their phone, the beacon on the mall's perimeter fencing triggers an offer that hits the person's phone with a text promoting a special discount that day. According to Naotaka Hayashi, executive officer for the Group ICT strategy office of PARCO, about 25 percent of customers

who receive the notification visit the store and make a purchase before the sale ends.

PARCO is different from most American shopping mall operators in that they play an active role in the success of the individual stores at their properties. A scavenger hunt game on the Pocket PARCO app boosts in-store visits by awarding "walking coins" for store visits. The virtual currency can be exchanged for a gift certificate when the shopper reaches a certain level of coins.

The app also tracks customers as they walk through the mall. If the app's geolocation notes that a customer is heading toward the exits, it triggers a text to visit a nearby store with a sale based on their prior purchases. The real-time offers, plus other personalized communications have resulted in a 35 percent increase in store visits.

SUBARU

Driving online and offline data unification and sales

Subaru of America needed to differentiate serious customers ready to buy from those just starting to casually research vehicles. People who want to drive away in a new car today require vastly different sales tactics from those who are thinking of buying one a few months or even a year later.

Subaru needed to understand the purchase readiness of customers and **personalize the experience** for each stage of the buying cycle.

So, they took their own proprietary online data and offline data from dealerships and maintenance facilities and merged it with third-party data gleaned from advertising, marketing automation, and social channels. This helped them achieve a 360-degree view of each customer and prospect, including their buying intent and purchase history.



Third-party data coupled with proprietary online data and data from dealerships helps Subaru get a better picture of potential car buyers.

Once Subaru had that information, they were able to send personalized messaging to each customer based on their purchase readiness, and also recognize lookalikes by customer demographics to find other potential leads. Digital retargeting also improved considerably, with clickthrough rates soaring up to 350 percent.

SHISEIDO

Applying a foundation for relevant, personalized beauty offers

Beauty brand **Shiseido** is a nearly 150-year-old company, but like its products, its marketing technology needs have changed with the times..

The company moved its **customer loyalty** program online in 2012, utilizing data from a number of sources such as product orders, catalog inquires, store searches or questions from consumers seeking beauty advice.

With all those sources came a lot of great information. But unfortunately, it also created the problem of disparate data silos for the loyalty program and partner co-marketing affinity programs. Each customer needed to have a single Shiseido customer ID, rather than separate, unique listings in potentially 25 different data silos.



A better view of their customer data helped Shiseido better understand how a woman's cosmetic needs change over time and anticipate when she might be ready to try something new.

A CDP helped Shiseido merge their first-and third-party data. This helped the brand understand how a woman's cosmetic needs change over time and anticipate when a customer might want something new based on their behavior or their age, to create data-driven personalized, relevant communications.

The personalized loyalty program paid off. Modeling customer preferences drove a 20 percent in-store revenue increase per loyalty program member over the course of a year, and an 11% revenue increase and 38% growth in net income year-over-year.

MARTECH IN MOTION

Six tips for using data to drive digital transformation and boost marketing ROI

1. THE FIRST STEP: ADMIT THERE'S A DATA PROBLEM.

Marketers are data-driven, but they can often laser-focus on the data in just one of their myriad martech solutions. Broaden your perspective and look at ways to tear down the silos in your business and unify your customer data to more accurately target and communicate with your audience.

2. FIND THE RIGHT TECHNOLOGY.

Spend the time and money to find the solutions that are right for your organization. In order to solve the data layer issue, you need the right technology—whether it's a customer data platform, an API-driven data warehouse or another solution that can convert the data you have into the integrated data feed you need for improved marketing ROI.

3. BUILD YOUR DREAM TEAM.

Make sure your team has the right skills to get the job done. To be a truly data-driven marketing organization, consider whether you need a data scientist who is adept at languages like SQL and Python and understands the data that is needed to make marketing decisions.

4. LOOK BEYOND MQLS AND SQLS.

Yes, you need leads that convert. But, you can't just scale one part of the funnel to feed your pipeline and consider that a success. Look at all your channels and campaigns, and create an agile environment that helps you make changes based on what is actually working, says Erik

Archer Smith, Director of Marketing at Arm Treasure Data. For example, your latest blog post may be getting lots of views and have a high organic SEO ranking, but it's not resulting in new business. In that case, your campaign focus should switch to a gated whitepaper or other piece of content that generates opportunities. Looking across all of your channels helps you make the right decisions.

5. GET SALES AND MARKETING IN ALIGNMENT.

At the end of the day, sales and marketing should play for the same team, but it doesn't always feel that way. Break down the wall and have official (and unofficial) regular meetings with sales to keep the lines of communication open. And don't forget the sales development reps (SDRs), who are out there talking to your potential customers every day. Coach them on how to respond to common questions from prospects. In return, they'll tell you what is—and isn't—resonating with your audience.

6. MAKE MARKETERS WALK THE SALES WALK.

To really understand the sales team's challenges, step into their shoes. Smith advises that every marketer learn how to do a product demo of each one of their company's products, and then, go along with sales to perform demos for potential customers. This helps marketers get to know all of the features and benefits of each product, making it easier to create intelligent and relevant marketing communications. And, an added bonus: Marketers get to hear feedback from the customer live and in-person.

ABOUT CHIEF/MARKETER

Global online content portal Chief Marketer arms aspiring CMOs with the tools, insights, data and training they need to master the "next frontier of marketing"—an age of marketing much less dependent on advertising and much more focused on the rest of the branding toolkit. From digital, direct and content marketing, to social, experiential, promotion and more, our weekly newsletters and daily website content cover it all. Through annual initiatives like the Chief Marketer 200 (the only comprehensive list of the top non-advertising agencies), the PRO Awards, and recognition programs including Masters of Martech and Future CMOs, Chief Marketer helps marketers build stronger, smarter brand marketing strategies.

ABOUT arm TREASURE DATA

Arm Treasure Data provides a secure Customer Data Platform with all your data, together, wherever you go. Arm Treasure Data CDP makes customer data accessible by helping you complete a data puzzle across customer data silos such as Facebook, Google, Salesforce, Adobe, Twitter, Bing, and more than 170 other martech offerings. Arm Treasure Data empowers a single marketer to achieve department level ROI results to increase conversion, reduce churn, and improve customer loyalty. Supporting capabilities include cross-channel and cross-device orchestration, audience retargeting, site and app personalization, user segmentation, rules and messaging management, advertising and marketing automation, and email and notifications triggering.